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INDUSTRIAL RECONSTRUCTION IN CZECHOSLOVAKIA

According to a report from Prague, Dr Dolansky, Minister-Chairman of the State Planning Office, reported that under the current policy governing the industrial program, priority will be given to heavy industry, particularly to the production of heavy machines for use in existing factories or in plants to be newly constructed, as well as for export to the People's Democracies, and Soviet Russia.

Steady development of industrial production has been made possible by a 49 percent increase in the output of brown coal, as compared with the prewar output; by doubling the former production of electric power; and by a 22 percent increase in the manufacture of steel. Construction of locomotives has tripled as compared with prewar figures, and the number of agricultural tractors produced is 50 times that manufactured before the war.

Production of consumer goods has also expanded. Cotton yarn, for example, shows an increase of 11 percent and wool yarn 9 percent.

However, reconstruction of heavy industry is still far from satisfactory.

Dr Dolansky stated that delivery dates for state-planned factory equipment for domestic use are not being met, and that the same condition obtains insofar as the delivery of machinery and other industrial equipment to the People's Democracies is concerned

The minister saw the main reason for this failure as the inadequate exploitation of existing facilities. He pointed out that not a single plant in the heavy machine industry operates three shifts per day, that few plants work in two shifts, and that in some instances even the single shift is not fully utilized.

In this connection Dr Dolansky referred to war damages sustained by the Skoda Works, the great Kolben Danek Plant in Prague, and the Stalin Works near Most (built by the Germans); he also mentioned dozens of smaller factories in call.... branches of industry, fixing the blame on the "friendly" bombings of the Western allies shortly before the end of the war, as well as on destruction inflicted by the retreating Germans.

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The minister praised the nationalized factories of precision instruments and machinery for the production of ball bearings, textile machinery (Zhrojovini) and milking machines, as well as for the manufacture of adding and other office machines, and printing machinery, including the first Skoda rotary press, which had been constructed with the nelp of Winkler and was recently installed in the state-owned "Ofbis" printing plant. New timing mechanisms for industrial requirements and medical instruments are also being manufactured for export. Reduction in the number of models, Dolansky said, had resulted in considerable improvements in the manufacture of automobiles, motorcycles, and bicycles.

The machine industry boasts 530 types of new machines which were not produced prior to 1945, such as boiler plants for low-grade fuels, high-pressure steam turbines, high-speed multistage steam turbines and turbocompressors, pumps, Diesel-electric locomotives, new types of river tugs, cranes, machinery for ceramics, sugar, beer, alcohol, glass, leather, and rubber industries, for mining installations, dairies, and slaughter houses.

The light metal industry has embarked on the production of new type radiators (resulting in great conservation of materials), mechanical kitchen equipment, vacuum cleaners, needles for the textile industry, modern agricultural machinery such as a fertilizer spreader, threshers, tractors, and binders.

The chemical industry has started large-scale production of plastics and other synthetic materials and of pharmaceutical aids such as insulin, penicillin, and sulfamides. Czech chemists have invented and developed "agronal," a fumigant for prevention of rust on cereal grains. In the textile industry experiments are being made with a new method for producing non-spun and non-woven materials which may revolutionize existing manufacturing processes. The glass industry is turning out optical lenses, optical filters for export, magnifying lenses, thermometers, and particularly spun glass (glass wool) which has been utilized as a new raw material by Czech industry. Geologists have found a way to increase the production of graphite from 2 to 12 carloads per day. Scientific research and the training of industrial scientists have been reorganized and intensified.

The organization of state-controlled industry has undergone a number of phases: Confiscated plants were merged with nationalized factories to form combines of enormous scope, the majority of which were responsible to the Ministry for Industry, while others were under the jurisdiction of the Ministers for Food and Trade, respectively. Recently the administrations of these combines were liquidated and 677 separate directorates were set up. The principle of sole responsibility and full authority of the individual directors was restored, necessitating numerous personnel changes which have not yet been completed.

In 1946 nationalized industry still operated at a loss. The year 1947 ended with a surplus of 2,400 million crowns, and 1948 showed a profit of 16,000 million Czechoslovak crowns.

As a result of the "profit tax" and the "general tax" assessed on all products on the domestic market, the State acquires considerable revenues, inasmuch as it is also the recipient of the profits shown by the industries after deduction of the 10 percent profit share set aside for the workers. Originally this latter amount was placed at the disposal of workers' committees of the various enterprises in question; however, in the course of the past year the administration of the trade unions appropriated these increasing amounts, utilizing them, in part, to finnace a large-scale vacation project for workers. Last summer 200,000 workers were the beneficiaries of this arrangement and 50,000 more will profit from it during the coming winter. At this rate, however, it would take 10 years for each trade-union member to have his turn, although a large number of hotels are now owned by the trade unions.

- 2 -

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The collectivization of the entire building trade merged 1,173 private enterprises into 56 state-owned corporations. In the future, only "planned" projects will be undertaken and construction will be carried out only by the companies indicated. Set specifications have been devised for housing projects, factory buildings, hospital structures and other buildings for general purposes provided under the plan. Windows, doors, tiles, and other components have been standardized.

Factory installations employing 22,000 workers have been moved to Slovakia from the German border area in Northern Bohemia. The number of workers employed in Slovakia's industry has increased by 55,600: Forty new factories were built, and 17 are already operating, including new iron works in Brezno nad Bronom and the lumber combine "Bucina" near Zvolen. The Ilava and Dubnica hydraulic power plants are only two of a number of such projects. The two plants named are already operating. The steam electric power plants in Bratislava, Krompachy, Ruzemberok, Novaky, and elsewhere have been enlarged considerably. A total of 192,400 persons are engaged in Slovak industrial projects, apart form mining which employs 100,000 men.

Intensive construction activity is currently under was in Slovakia, comprising buildings, bridges, highways, factories, dams, and barrages. Electricity has been installed in 430 communities.

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- 3 -

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